



Melbourne City Research

North Melbourne Small Area Economic and Demographic Profile

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Acknowledgements

This research report was written by Nick Casey Melbourne City Research. Data relating to SEIFA and population projections was prepared by Jo Bell.

Disclaimer

Whilst all due care has been taken to ensure the content of this report is accurate and current, there may be errors or omissions in it and no legal responsibility is accepted for the information and opinions in this report. In addition, as the report is based on historic information that is subject to revision, and assumptions in preparing forecast figures that are both difficult to predict and liable to change, we do not guarantee its currency.

Sources

Demographic information in this report is based on customised secondary data from the Australian Bureau of Statistics 2006 Census of Population and Housing, *Basic Population Profile*, Catalogue No. 2006.0. except where identified. Economic information is sourced primarily from City of Melbourne's Census of Land Use and Employment (CLUE).

Further information

For further information about the characteristics of this small area, other small areas within the Melbourne Local Government Area (LGA) or for comparison of data across all small areas comprising the municipality see the Appendices in the *City of Melbourne Small Area Economic and Demographic Profile 2008 - Resource Document*. This publication also contains a Glossary. Further data in relation to SEIFA may be found in Melbourne City Research reports - *SEIFA 2006 City of Melbourne* and *SEIFA 2006 City of Melbourne small area – North Melbourne*.

Geography of small areas

Most small areas follow official, well known suburb boundaries (page 4), with some exceptions: West Melbourne has been separated into its residential and industrial components; Kensington and North Melbourne were each divided by the sections that existed within the municipal boundary prior to municipal boundary realignment ('original') and the new sections added to the municipality by suburb realignment ('new'). Finally, the suburb of Melbourne is presented in both in total and its constituent parts, called Central Business District (CBD) and Remainder.

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1. Key findings

Municipal boundary amendment

In July 2008 the City of Melbourne took over the administration of parts of Kensington and North Melbourne that were previously under the City of Moonee Valley, resulting in an increase of approximately 4760 residents and almost 3000 workers, (2006 Census). It changed the municipality's age and the multicultural community profiles (significantly increasing the size of the Somali-born community). It also increased the number of families with a child aged 0-12 years by 325 (15 per cent). Over 160 such families were counted in North Melbourne and this will likely have resource implications for family and children's services. The *City of Melbourne Multicultural Profile* also found the Somali born population may be 'at risk' of marginalization and recommended further investigation.

Demographics

- North Melbourne's population has grown reasonably quickly over the past six years;
- The area has a higher median age than the municipal average;
- North Melbourne has a high proportion of children aged under 12 years;
- It has a large concentration of older persons;
- North Melbourne has among the largest average household sizes in the municipality;

Education and qualifications

- North Melbourne has the municipality's largest number of school students;

Cultural diversity

- The area has one of the highest proportions of overseas born residents;
- The most commonly spoken non-English language at home is Somali (compared to Mandarin or Cantonese in almost every other suburb). City of Melbourne may wish to promote social inclusion, including a Somali community event or day in its calendar;

Internet

- North Melbourne has the municipality's highest proportion of dwellings with no internet connection, so internet is not the best option for engaging households in this area;

Incomes

- Median incomes in North Melbourne are among the municipality's lowest;
- It has the Melbourne Local Government Area's third largest concentration of low income earners, on incomes less than \$250 per week;

Housing

- The predominant housing tenure in North Melbourne is rental;
- Housing costs in North Melbourne are the lowest in the Melbourne Local Government Area;

Economy

- Land use in North Melbourne is dominated by private residential housing;
- In terms of the number of businesses with employees, North Melbourne's economy (although small relative to the CBD) is the third largest in the municipality;
- In employment terms, the area's economy is comparatively smaller, partially because it has the municipality's highest proportion of micro businesses (less than five people);

2. Profile

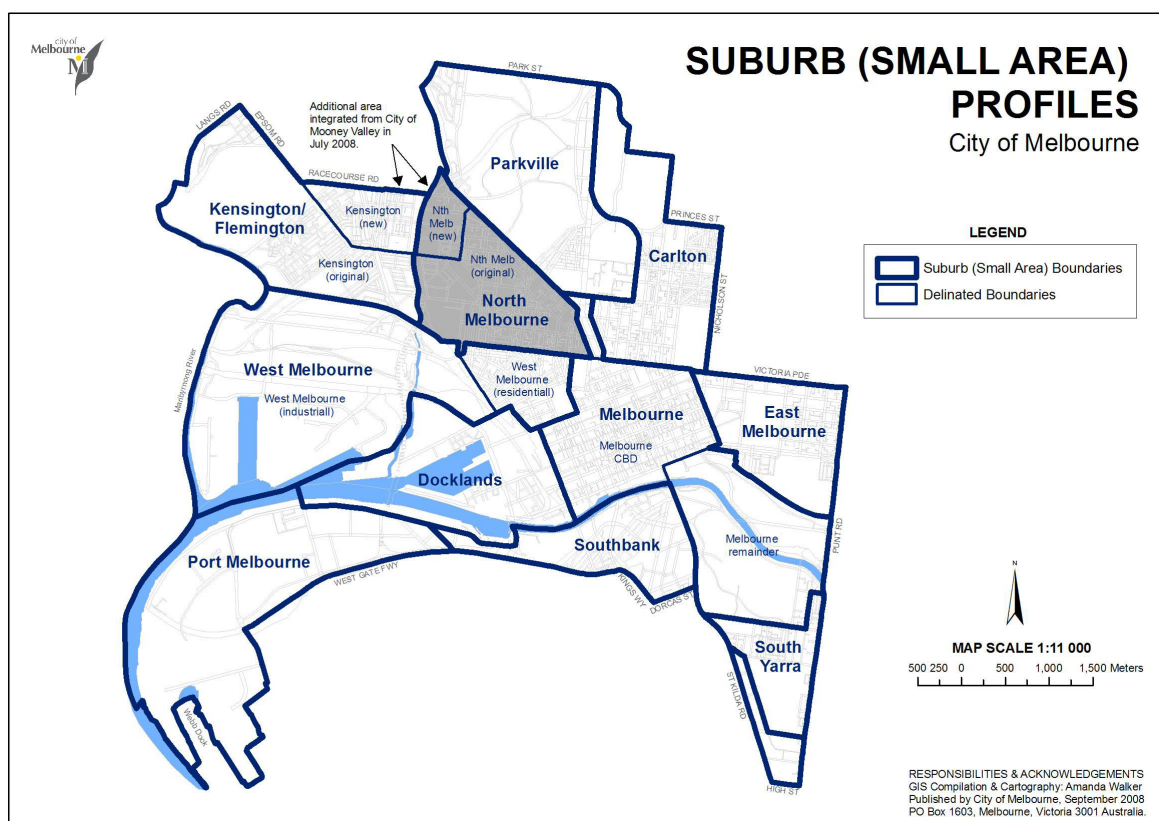
2.1. Recent history and environment of North Melbourne

North Melbourne is an inner-west area of Metropolitan Melbourne. Until 1 July 2008, it was shared between the Local Government Areas of the Moonee Valley and the Melbourne, but is now entirely within Melbourne municipality.

Its proximity to the central city meant that since the 1980's the area has slowly become gentrified and shopping strips such as Errol Street (where the North Melbourne Town Hall is located) have become more popular.

North Melbourne is now one of the municipality's most dynamic and complex small areas, noted for its mixture of Victorian architecture, retail, warehouses and factories. North Melbourne still retains some of its public housing and a strong migrant mix too, with low income families arriving from Somalia, Eritrea, etc.

At the request of key stakeholders, the previous edition of this paper split North Melbourne into (original) and (new) (the part formerly belonging to City of Moonee Valley) then combines these analyses to discuss the area overall. That approach has not continued in this edition.



Map 1: North Melbourne small area (including original and new area)

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Demographic profile

Figure 1: Key characteristics of North Melbourne's residents

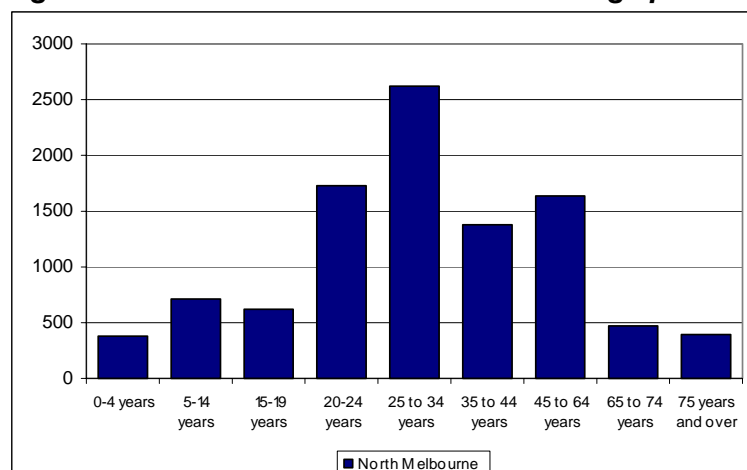
Key characteristics	North Melbourne	Melbourne LGA	Data Source
Population	10,859	89,759	Population 2008
Young people aged 12-25 years	21%	36%	ABS 2006 census
Older people aged 60+ years	11%	9%	ABS 2006 census
Residents born overseas	40%	42%	ABS 2006 census
Most common LOTE*	Mandarin	Mandarin	ABS 2006 census
Weekly income < \$250	28%	26%	ABS 2006 census
Weekly income > \$1000	18%	23%	ABS 2006 census
University students	18%	21%	ABS 2006 census
Bachelor degree or higher	33%	33%	ABS 2006 census

*Language Other Than English

City of Melbourne population figures include populations in new areas of Kensington and North Melbourne transferred in July, 2008 from City of Moonee Valley to the City of Melbourne (approximately 5,000 persons – see Kensington and North Melbourne small area profiles)

- The population in North Melbourne has grown in the seven years to 2008, by 3 per cent per annum and it now contains 12 per cent of the Melbourne Local Government Area's Population;
- The largest age group in the population is the 25 to 34 year age group. This characteristic is common to almost all small areas in the municipality (the only exceptions being Carlton, Melbourne small area and Parkville);
- North Melbourne has 13 per cent (second largest share of children in the municipality after Kensington) of the municipality's population aged under 12 years and 11 per cent is aged over 60 years;
- 8 per cent of North Melbourne's population is children aged less than 12 years. 11 per cent is older people;
- Over 10 per cent of the municipality's young population (12 to 25 year olds) lives in North Melbourne (total); and
- North Melbourne has 16 per cent of the municipality's population aged over 60 years (second largest concentration after Melbourne small area).

Figure 2: 2006 North Melbourne residents age profile (Source: ABS 2006 Census)



2.2. Social profile

Source: 2006 Census of Population and Housing

2.2.1. Education

- In North Melbourne 31 per cent of the population attends an educational institution (one of the highest proportions in the municipality);
- About 18 per cent of the population are university students;
- The area has the municipality's fourth largest concentration of University students (1850 or 11 per cent);
- North Melbourne has the largest number of school students in the Melbourne Local Government Area (nearly 800);
- There are almost 800 school children in North Melbourne (highest number in the municipality); and
- Around 33 per cent of residents have a Bachelor degree or higher, which is similar to the municipal average.

2.2.2. Household and family structure

- North Melbourne (and Kensington, also) has the second largest average household size in the municipality (2.1 people per household) after Parkville;
- Lone person households (31 per cent) are the most common household type in North Melbourne; and
- North Melbourne has the highest proportion of lone-parent families in the municipality (8 per cent) because of the very high proportion of lone-parent families in the areas around public housing estates in North Melbourne.

2.2.3. Culture and language profile

- Approximately 40 per cent of North Melbourne residents were born overseas;
- In North Melbourne the most prominent overseas birthplaces of residents are United Kingdom (3 per cent), Malaysia (3 per cent), New Zealand and China (7 per cent);
- Almost 37 per cent of North Melbourne residents speak a language other than English at home; and
- The most common languages spoken in North Melbourne, other than English, are: Mandarin (7 per cent); Cantonese (7 per cent); Somali (3 per cent), and Vietnamese (2 per cent).

2.2.4. Internet connection at home

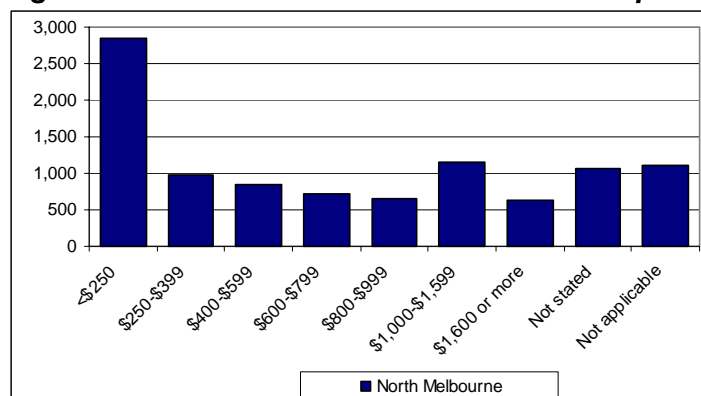
- Around 61 per cent of households in North Melbourne have access to an internet connection;
- About 44 per cent of households in the area have a broadband internet connection;
- Approximately 16 per cent of households have a dial-up connection; and
- North Melbourne households have the municipality's highest proportion of dwellings with no internet connection (28 per cent).

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2.3. Income profile

- Median individual incomes (\$217 per week), family incomes (\$479 per week) and household incomes (\$297 per week) in North Melbourne are the municipality's lowest;

Figure 3: North Melbourne resident's income profile (Source: ABS 2006 census)



Incomes in North Melbourne are concentrated at the lower end of the income scale:

- Approximately 28 per cent earning less than \$250 per week and only 18 per cent earning more than \$1000 per week; and
- North Melbourne has the Melbourne municipality's third largest proportion (14 per cent) of low income earners on less than \$250 per week.

The most commonly accessed pension is the Aged Pension (649), followed by Disability Support (second highest in the municipality) and the Newstart Allowance.

Figure 4: Pensions and benefits received by North Melbourne residents

Benefit type	North Melbourne (postcode 3051)	Melbourne LGA
FaHCSIA		
Age pension	649	Approx. 5350
Disability support pension	471	2586
Wife pension (Age)	<20	<20
Wife pension (DSP)	<20	<20
Special Benefit	<20	74
Carer Payment	53	351
DEEWR		
Parenting Payment Single	154	837
Newstart Allowance	446	2770
Partner Allowance	<20	49
Widow Allowance	<20	116
Sickness Allowance	<20	24
Austudy Payment	73	515
Youth Allowance	456	2870
Parenting Payment Partnered	79	476

(Centrelink Pensions 2009 Qtr 3 (11-09-09), Newstart Population 2009 09 (Sep) (18-09-09), Carer Payment 2009-10 04 (Sep) (25-09-09).

FaHCSIA is Families, Housing, Community Services and Indigenous Affairs and DEEWR is Department of Education, Employment and Workplace Relations

North Melbourne has 12 per cent of the population but receives over 14 per cent of the pensions and benefits.

2.4. Socio-Economic Indexes for Areas (SEIFA) 2006

SEIFA is a suite of four Indexes (compiled from data collected in the ABS 2006 Census of Population and Housing) which rank areas in terms of the socio-economic characteristics of persons and households in the area. SEIFA allows comparisons of areas – the lower the score the greater relative disadvantage.

Figure 5: SEIFA 2006 scores, North Melbourne

	North Melbourne	Melbourne LGA
SEIFA Index	Score	Score
Disadvantage	957	1039
Advantage and Disadvantage	1035	1099
Economic Resources	892	956
Education and Occupation	1127	1174
Population	9825	74,083

Source: SEIFA 2006 City of Melbourne small area - North Melbourne

There are pockets of relative disadvantage, as measured by all four SEIFA indexes in North Melbourne.

2.5. Housing

Figure 6: North Melbourne housing statistics

	North Melbourne	Melbourne LGA	Data Source
Number of dwellings	5406	53,524	CLUE 2008
Most prominent housing type	Residential apartments (62%)	Residential apartments (68%)	CLUE 2008
Per cent of private dwellings fully owned or being purchased	31%	27%	ABS 2006 census
Occupied private dwellings rented	59%	58%	ABS 2006 census
Unoccupied private dwellings	8%	12%	ABS 2006 census
Median rent per week	\$251	\$295	ABS 2006 census
Median mortgage per month	\$1700	\$1733	ABS 2006 census

Housing analysis demonstrates that:

- there are 5400 dwellings in North Melbourne;
- North Melbourne's residential sector is dominated by residential apartments;

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- North Melbourne has a high proportion of dwellings being rented;
- the North Melbourne area has a high proportion of public rental housing;
- North Melbourne home purchasers have median housing costs of \$1690 per month (one of the lowest monthly mortgages in the municipality); and
- The lowest rent (\$222), in the municipality is in North Melbourne. This is because of the large proportion of public rental housing in the area.

2.6. Land use and business activity

Figure 7: North Melbourne land use and business activity profile

	North Melbourne	Melbourne LGA	% share
Business locations with employment	1037	15,282	7%
Most prominent built space	Housing	Office	-
Most prominent industry type by floor space	Residential	Art and Recreation	-
Most prominent industry type by employment	Business Services	Business Services	-
Retail locations	108	2332	5%
Commercial car parks	4	167	2%
Commercial car park spaces	547	62,409	1%
Café/restaurant/bistro	76	1,657	5%
Food court	0	28	0%
Bar/tavern/pub/nightclub	13	259	5%
Office space (m ²)	173,734	5,112,433	4%
Vacant space (m ²)	160,756	3,391,188	3%

Source: Census of Land Use and Employment 2008 (Appendices)

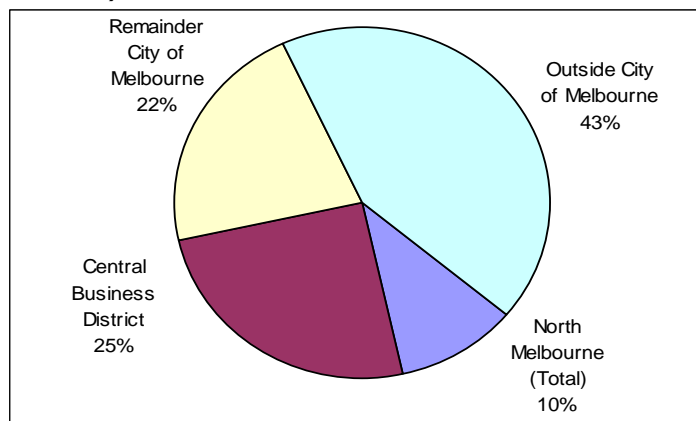
Analysis of land use and business activity in North Melbourne shows that:

- Approximately 69 per cent (1,501,811m²) of space in North Melbourne is built up land, the majority for private accommodation (housing);
- North Melbourne has 1,037 business locations, which equals 7 per cent of the Melbourne Local Government Area's total business stock (third largest after Melbourne small area and Carlton);
- Business types are a diverse mix that includes business services (145), retail (108) and food and beverage services (89);
- The 666,369m² of unbuilt space in North Melbourne is predominantly open space (90 per cent); and
- North Melbourne contains the municipality's highest proportion (47 per cent) of micro businesses employing fewer than five people.

2.7. Workforce

The size of the North Melbourne's workforce is 8,846 persons and the number of employed residents is nearly 4,900 people.

Figure 8: North Melbourne residents work destination (Source: ABS 2006 Journey to Work)



While only 10 per cent of employed residents of North Melbourne also work there, the area has the highest proportion of residents working in other parts of the Melbourne Local Government Area.

Figure 9: Key characteristics of the North Melbourne workforce

Key characteristics	North Melbourne	Melbourne LGA	Data Source
Number of Workers	8846	412,135	CLUE 2008
Professionals	24%	35%	ABS 2006 census
Managers	15%	14%	ABS 2006 census
Labourers	7%	4%	ABS 2006 census
Full-time	62%	64%	CLUE 2008
Part-time	11%	12%	CLUE 2008

The workforce profile of North Melbourne is characterized by:

- The industry with the most employees is Business Services, with 14 per cent of North Melbourne employment;
- 7 per cent of the Melbourne Local Government Area workforce works in North Melbourne;
- The most common occupation of North Melbourne workers is professionals (24 per cent);
- In terms of the number of businesses with employees, the Local Government Area's economy (although small relative to the CBD) is the third largest in the municipality (after the CBD and Carlton); and
- In employment terms, North Melbourne's economy is comparatively smaller. This is because it has the municipality's highest proportion (47 per cent) of micro businesses employing fewer than 5 people.

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2.8. Future outlook

2.8.1. Development activity

A small amount of residential apartment construction is expected to be developed within the next five years. North Melbourne is expected to experience a fraction of the municipality's residential apartment development (less than 3 per cent).

The outlook is better for student accommodation in North Melbourne. More than half the municipality's total student apartment construction is expected to take place in North Melbourne.

Figure 10: Development Activity – residential

Area	Residential dwellings					Student Apartments				
	Under construction	Construction 0-2 years	Construction 3-5 years	Mooted	Grand Total	Under construction	Construction 0-2 years	Construction 3-5 years	Mooted	Grand Total
North Melbourne	110	372	21	0	503	0	286	150	232	668
City of Melbourne	5,731	6,611	4,293	549	17,184	125	317	570	232	1,244

Source: Development Activity Monitor

Figure 11: Development activity – office and retail

Area	Office (m ²)					Retail (m ²)				
	Under construction	Construction 0-2 years	Construction 3-5 years	Mooted	Grand Total	Under construction	Construction 0-2 years	Construction 3-5 years	Mooted	Grand Total
North Melbourne	404	1,960	3,400	0	5,764	0	280	100	0	380
City of Melbourne	310,261	216,302	487,830	126,800	1,141,193	25,399	63,288	15,400	0	104,087

Source: Development Activity Monitor

A fraction of retail is expected to be constructed in the area in the next five years. North Melbourne is also expected to experience a fraction of the municipality's office development (less than 6000m²).

2.8.2. Population projections

Population projections for North Melbourne have been prepared based on the post 2008 boundaries, that is, the original and new areas combined. The North Melbourne population is expected to increase to approximately 15,000 residents by 2031 with the following assumptions:

- again in youth age groups (18-24) attracted to inner Melbourne for education and employment;
- moderate loss of adults in their late twenties and thirties (some forming families with young children), as young people seek more affordable or different housing opportunities outside the area;
- no significant gain of adults aged more than 40 years;
- the current fertility rate in North Melbourne is higher than the average for the Melbourne Local Government Area. It is assumed to remain stable at approximately 1.05 children per woman aged 15-49 between 2006 and 2031; and
- low to moderate levels of residential development throughout the forecast period.

Figure 12: Forecast population, dwellings and households, North Melbourne and Melbourne LGA 2016–31

North Melbourne	2016	2021	2026	2031
Total population	12,972	13,660	14,322	14,966
Change in pop. (5 yrs)	-	688	662	644
Average annual % change	-	1.0%	1.0%	0.9%
Households	5,905	6,251	6,597	6,943
Change in households (5 yrs)	-	346	346	346
Average household size	2.13	2.13	2.11	2.1
Dwellings	6,230	6,595	6,960	7,325
Change in dwellings (5 yrs)	-	365	365	365
City of Melbourne				
Total population	111,048	126,035	143,070	152,628
Change in pop. (5 yrs)	-	14,987	17,035	9,558
Average annual % change	-	2.6%	2.6%	1.3%
Households	54,382	62,293	71,440	76,966
Change in households (5 yrs)	-	7,911	9,147	5,526
Average household size	1.94	1.94	1.93	1.91
Dwellings	60,618	69,063	79,528	84,958
Change in dwellings (5 yrs)	-	8,445	10,465	5,430
North Melbourne's share of the City's population	11.7%	10.8%	10.0%	9.8%
North Melbourne's share of the City's households	10.9%	10.0%	9.2%	9.0%
North Melbourne's share of the City's dwellings	10.3%	9.5%	8.8%	8.6%

Figure 13: North Melbourne population forecast age profile 2021 –31

